Southern California Gas Company

A Sempra Energy utility℠

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Mr. Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division
California Public Utilities Commission
320 W. Fourth Street, Suite 500
Los Angeles, CA 90013

Dear Mr. Bruno:

The staff of the Safety and Enforcement Division (SED) conducted a General Order (G.O.) 112-E compliance inspection of Southern California Gas Company's (SoCalGas) North Desert Transmission Area facilities on March 24-27, 2014. The inspection included a review of operation and maintenance records and procedures pursuant to G.O. 112-E, Reference Title 49 Code of Federal Regulations, Parts 191 and 192.

SED staff identified one potential violation of G.O. 112-E Reference Title 49 Code of Federal Regulations, Part 192 and issues of concern, making recommendations associated with these issues. Attached is SoCalGas' written response and corrective actions.

Please feel free to contact me at (213) 305-8660, if you have any questions or need additional information.

Sincerely,

W. Jeff Koskie
Pipeline Safety and Compliance Manager

Attachments

Attachment 1
Response to Inspection Observations

A. Inspection Identified a Probable Violation of Subpart M, Maintenance, G.O. 112-E, Title 49 CFR Part 192, §192.707 Line Markers for Mains and Transmission Lines

(a) "Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:

(1) At each crossing of a public road and railroad; and

(2) Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.

(b) Exceptions for buried pipelines. Line markers are not required for the following pipelines:

(1) Mains and transmission lines located offshore, or at crossings of or under waterways and other bodies of water.

(2) Mains in Class 3 or Class 4 locations where a damage prevention program is in effect under §192.614.

(3) Transmission lines in Class 3 or 4 locations until March 20, 1996.

(4) Transmission lines in Class 3 or 4 locations where placement of a line marker is impractical.

(c) Pipelines above ground. Line markers must be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public.

(d) Marker warning. The following must be written legibly on a background of sharply contrasting color on each line marker:

(1) The word "Warning," "Caution," or "Danger" followed by the words "Gas (or name of gas transported) Pipeline" all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with ¼ inch (6.4 millimeters) stroke.

(2) The name of the operator and telephone number (including area code) where the operator can be reached at all times."

SCG Gas Standard 223.0075, Section 4.1.8 requires that line markers be installed where pipeline cross perpendicular or diagonal to the street and wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.

SED observed during the field inspection that L3000 between MP 74.49 and MP74.89 had missing or damaged pipeline markers.

SCG failed to identify and install/replace line markers at the aforementioned locations that are near pipeline segments with missing line markers. SED found SCG in violation of G.O. 112-E, Reference Title 49 CFR Part 192, Section 192.707(a).

Response To Item A

The pipeline markers observed during the field inspection of L 3000 between MP 74.49 and MP 74.89 met the requirements to identify the location of the transmission line or main to reduce the possibility of damage or interference. The markers could also be seen by line-of-sight from the patrol road. However, a sign in this area of the remote desert vicinity may be obscured by brush.

Pipeline markers are continuously removed and found missing because of the general public's actions and are consistently replaced when issues are identified. This identification and as-needed replacement is an important element of our Transmission Pipeline Patrol program. As part of this program, missing markers are replaced, and additional markers are added or existing modified to address growing brush or other potential obstructions.

Attachment 2
Response to Inspection Recommendations

A. Inspection Identified an issue with vent casing on L 3000 at MP 1.73

SCG Gas Standard182.0080, Casing Assembly-Steel Carrier Pipe requires the vent to be designed to prevent entry of water, insects, and other foreign matter, and shall extend at least four feet above the finished grade. Furthermore, the vent shall be away from traffic and any other hazardous location. During the field inspection, SED found that the L3000 at MP 1.73, L235, and 42" pipeline at 15 Freeway had casing vents that extend one foot above the finish grade. Furthermore, L3000 at MP1.73 had only one casing vent. SED recommends that SCG should follow its Gas Standard and comply with the vents requirement to extend the vent stacks at least four feet above the finish grade. Furthermore, SED recommends that SCG should review the original drawings (as-built plan) to verify the number of vent stacks and take the necessary steps to ensure compliance with this Gas Standard.

Response To Item A

Upon observing the issue with the vent stack on L3000 at MP 1.73, SoCalGas opted to extend the vent stack. Please note that this was not done as a procedural requirement under Gas Standard 182.0080. The four-foot reference within this Gas Standard refers to installation grade and does not require that vent is maintained at a specific height. The repair was communicated back to the SED before the end of the inspection on March 27, 2014. The casing was originally installed in 1957 with one vent stack. Moreover, SCG Gas Standard 182.0080 does not have a requirement to install vents at both ends of a casing. With respect to the vent at 42" pipeline at 15 Freeway, the vent at that location was attached to an empty casing. To prevent confusion in the future, that vent has also been raised above the minimum as well.

B. Inspection Identified an issue with ETS wire terminations

SCG Gas Standard 186.0075, Electrical Test Station & Bond Assembly, Figures 6 and 7, depicts the SCG's ETS wire installations standard. During the field inspection, SED staff observed that several ETS wire terminations were in non-conformance with SCG Gas Standard 186.0075. SED recommends that SCG follow its Gas Standard and ensure that its employees should maintain the ETS wire terminations in accordance with SCG's Gas Standard 186.0075.

Response To Item B

SCG Gas Standard 186.0075 contains only suggestions as to type of test stations and installation details for specific applications, as shown in Figures 6 and 7. Therefore, the wire terminations are at the discretion of the operator personnel installing the wires. Reads done on the wires were not hindered because of the difference in ETS wire terminations. SoCalGas sees no issues with the current Gas Standard 186.0075 and the procedure used by its employees to install the ETS wires.

C. Inspection Identified an issue with low CP reads on L 3000

The CP reads for L3000 at MP70.71, MP71.48, MP72.22, MP72.98, and MP73.75 were out of tolerance (low CP read). SED recommends that SCG should take the appropriate measure to bring the low CP reads to compliance.

Response To Item C

The CP locations for L 3000 at MP70.71, MP72.22, MP72.98, and MP73.75 meet the 100mV Polarization Shift Criteria, as listed in SCG Gas Standard 186.0036, and therefore, have different tolerances and minimum pipe to soil potentials in comparison to other Electrical Test Stations. One CP read for L 3000, MP71.48, had a broken wire and was promptly repaired. Once repaired, a follow-up CP read was taken, and that read was in tolerance.

D. Inspection Identified issues at Newberry Spring Station

SED observed the following during field inspection of Newberry Spring Station:

a. An above ground bracket touching and scratching pipe
b. Fuel gas crossover on lines L235 and L3000 observed rust/atmospheric corrosion
c. Electrical backup fire pump was not inspected as required by SCG standard (weekly)
d. Some pipe supports had missing micarta (material inserted between the pipe and support to prevent pipe-support contact) to prevent damage to pipe during pipe expansion and contraction. SED recommends that SCG should take the appropriate corrective measure to correct the above deficiencies.

Response To Item D

The above-ground bracket was moved to ensure prevent contact with the pipe. SoCalGas conducted an inspection of the area and only observed light surface rust.

In response to the recommendation from SED, the fuel gas crossover on L235 and L3000 has been abated of any rust and primed and painted by station personnel.

In response to the SED recommendation with respect to the electrical backup fire pump inspection, a weekly electrical backup fire pump inspection worksheet was created to improve electrical backup fire pumps inspections and documentation.

SoCalGas is in the process of investigating if micarta is required or necessary at this location with the Gas Engineering department. Once Gas Engineering has determined if micarta is required, Gas Transmission will take the necessary actions as directed.

E. Inspection Identified an issue at North Needles Station

SED observed during field inspection of Needles North Station that a control tubing to valve actuator was not supported properly and the support was touching the fuel pump at engine #2. SED recommends that SCG should take the appropriate corrective measure to correct the two deficiencies.

Response To Item E

SoCalGas repaired the tubing support brackets by welding them back onto the support framework. Additionally, the tubing and tubing support bracket were reconfigured to prevent contact with #2 engine fuel line.

F. Inspection Identified an issue with

SCG Gas Standard 186.0135, Section 4.3.4.5 requires that where voltage and current meters are present, verify and document the proper operation of these output meters at impressed current stations and permanently installed indicating meters at bonds, etc. Verification can be done by one of the following methods:

a) Calibrating voltage and amperage meters with approved instruments and test shunts. Routine cleaning and maintenance of rectifiers is recommended at this time.
b) Turning impressed current station off and on and verifying that meters go to near zero.

Please provide us with doc supporting the above statement for the rectifiers that we inspected during the audit.

Response To Item F

SoCalGas has forwarded the annual rectifier maintenance reports that were inspected by the SED during the audit. .

G. Inspection Identified an issue at Newberry Spring Station

§192.479(a) requires that each operator must clean and coat each pipeline or portion of the pipeline that is exposed to the atmosphere and §192.481(a) requires that each operator must inspect each pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion for onshore at least once every 3 years, but not to exceed 39 months. During the field inspection of Newberry Spring Station, SED found that some of the aboveground pipeline exposed to the atmosphere had deteriorated or damaged coating. SED request that SCG provide records of two inspection cycles demonstrating compliance with the SCG Gas Standard 186.02 (Cathodic Protection-Inspection of Exposed Pipe), §192.479(a), and §192.481(a).

Response To Item G

Observations of surface rust during the inspection were promptly coated properly. Newberry Springs Station inspects above-ground pipe for atmospheric corrosion once every two years. The Above Ground Pipe Inspections of Newberry Springs Station for 2012 and 2010 have been forwarded to SED.